Loan Will Help South Louisiana Business Enter the Growing Renewable Energy Industry
July 3, 2008

WASHINGTON, D.C. - Rep. Charlie Melancon (D-LA) announced today that a New Iberia business has been approved for a guaranteed loan of $4,000,000. The loan will help finance start-up costs for a new biofuels production facility in St. Mary Parish. The federal loan was awarded to Sustainable Fuels, L.L.C., through the U.S. Department of Agriculture's Rural Development program.

"As gas prices continue to rise, Americans are looking to alternative fuels to reign in energy costs and make our nation less dependent on foreign oil," Rep. Melancon said. "Biofuels will help increase our country's energy independence while creating new jobs for our workers and opportunities for our small businesses. The loan we are announcing today will enable a locally-owned business to jump in to the growing biofuels industry, and is just the beginning of a promising new economic opportunity for south Louisiana."

The federally-guaranteed loan will be used to finance machinery and equipment for the new biofuels facility that is estimated to produce five million gallons of biodiesel annually. The facility will create 15 new jobs in St. Mary Parish. Initial feedstock will include waste vegetable oil, brown grease, and soy oil.

USDA Rural Development provides project funding to support increasing economic opportunity and improving the quality of life for rural residents. Communities apply with the USDA for the grants and loans and often provide matching local funds for projects.

# # #